(Program/Budget)

OFFICE OF THE UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON WASHINGTON, DC 20301-1100

MAY 2 6 2005

MEMORANDUM FOR MILITARY DEPUTY FOR BUDGET, OFFICE OF THE

ASSISTANT SECRETARY OF THE ARMY (FINANCIAL

MANAGEMENT AND COMPTROLLER)

DIRECTOR, OFFICE OF BUDGET/FISCAL

MANAGEMENT DIVISION, OFFICE OF THE

ASSISTANT SECRETARY OF THE NAVY (FINANCIAL

MANAGEMENT ANDCOMPTROLLER)

DEPUTY ASSISTANT SECRETARY (BUDGET), OFFICE

OF THE ASSISTANT SECRETARY OF THE AIR FORCE

(FINANCIAL MANAGEMENT AND COMPTROLLER)

COMPTROLLER, UNITED STATES SPECIAL

OPERATIONS COMMAND

DIRECTOR, PROGRAM ANALYSIS AND MANAGEMENT,

UNITED STATES TRANSPORTATION COMMAND

SUBJECT: Fiscal Year (FY) 2005 Fuel Price Increase

Continued fuel price increases have resulted in losses in the Defense Logistics Agency, Defense-Wide Working Capital Fund in excess of funding identified in the Department's Supplemental budget request. While crude oil prices have receded slightly in the last week, the Department of Energy is projecting that crude prices will remain above \$50.00 per barrel for the rest of FY 2005 and FY 2006.

DEFENSE AGENCY COMPTROLLERS

In view of the cash posture of the Defense-Wide Working Capital Fund and the present price of fuel, the FY 2005 fuel standard price is increased to \$73.08 per barrel, to be effective June 1, 2005. The attachment to this memorandum provides a breakdown of the revised fuel prices by fuel type.

The customer impact of this action has been reviewed during the FY 2005 midyear review.

John P. Roth Deputy Comptroller

Attachment: As stated

Revised POL Customer Prices Effective June 1, 2005

	FY 2005	
Product Type	Gallon	<u>Barrel</u>
AVGAS OCONUS	\$7.79	\$327.18
AVGAS CONUS	\$1.97	\$82.74
Motor Gas Leaded	\$2.09	\$87.78
Motor Gas Unleaded	\$1.78	\$74.76
Premium	\$2.01	\$84.42
Midgrade	\$1.79	\$75.18
Regular	\$1.70	\$71.40
Gasohol	\$1.79	\$75.18
Jet Fuel Widecut	\$1.79	\$75.18
Jet Fuel Commercial Grade	\$1.74	\$73.08
JP-5	\$1.76	\$73.92
JP-8	\$1.74	\$73.08
Distillates	\$1.73	\$72.66
Diesel (Generic)	\$1.70	\$71.40
Diesel KSN PC&S	\$1.65	\$69.30
Diesel KS1 PC&S	\$1.71	\$71.82
Diesel FS2 PC&S	\$1.49	\$62.58
Diesel FS1 PC&S	\$1.70	\$71.40
Diesel DF2 High Sulfur	\$1.56	\$65.52
Diesel DL2 Low Sulfur	\$1.82	\$76.44
Diesel DL1 Low Sulfur	\$2.00	\$84.00
Diesel DF1 High Sulfur	\$1.74	\$73.08
Residuals	\$1.31	\$55.02
Navy Reclaimed	\$1.01	\$42.42
Into Plane Jet Fuel	\$1.97	\$82.74
Into Plane AVGAS	\$4.31	\$181.02
Local Purchase Jet Fuel	\$3.22	\$135.24
Local Purchase Ground Fuel	\$2.74	\$115.08
Bunker – Marine	\$1.32	\$55.44
Bunker – Intermediate	\$1.10	\$46.20
Local Purchase Bunker	\$2.36	\$99.12
Special Fuels JPTS	\$3.90	\$163.80
Composite	\$1.74	\$73.08

1 of 1 Attachment